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Media Entrepreneurship: The Role of Emerging Technologies for Media Business Models

Keywords: emerging technologies, business model, entrepreneurship, media management

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Abstract

Media management (MM) is closely linked to the development of new technologies (e.g. Küng, 2016; Wirtz, 2011) and, accordingly, technology is a crucial part of MM research. Picard & Lowe (2016) highlighted that media management research is shaped by the influence of technologies (ibid: 66). Other researchers point out how emerging technologies shape research regarding core issues as media companies (Hess, 2014), specific media industries and products (e.g. broadcasting (Murray, 2013); publishing (Blankfield & Stevenson, 2012); news (Ottosen & Krumsvik, 2012)), value chain (Kehoe & Mateer, 2015) or media branding (Chan-Olmsted, 2011) as well as core methods of research (Murthy, 2008; Gunzerath, 2012). Mierzejewska and Shaver (2014) even talk about "technology-driven key changes" that affect media management research (ibid.: 47). However, the relevance of these new technologies for media management research has hardly been considered systematically so far. Based on previous own research (Gossel, Will & Windscheid 2017a, 2017b, 2018), we would like to gain a deeper insight into the relation of emerging technologies and business models of media companies.

Business models of media companies, also referred to as "media business models" (McPhillips & Merlo, 2008) describe and explain a media firm's complex system of interdependent activities for the creation of value and for gaining competitive advantage (Zott et al., 2011). While traditional media business models focus on the "ability to balance the needs of consumers and advertisers" (McPhillips & Merlo, 2008), several categories of "new" media business models such as selling content or providing access are not based on advertising (Clemons, 2009). The deep impact of digitalization and interconnectedness on media business models is well understood (Lawson-Borders, 2010; Evens, 2018). However, for specific emerging technologies, such as data analytics or augmented reality, the concrete use within and the influence on media business models is still unclear.

According to Rotolo, Hicks & Martin (2015), we define emerging technology (ET) as "*a radically novel and relatively fast-growing technology [... having ...] the potential to exert a significant influence on the socio-economic domain(s) observed [...] Its most prominent effect, however, lies in the future, and so is still somewhat uncertain and ambiguous in the development phase.*" (ibid.)

Based on this definition, we address the question: How will ET influence the future of media business models? In a previous study (Gossel et al., 2017a), an analysis of ET was conducted with the help of a comprehensive literature analysis, from which we derived nine technology trends. In a second step, we analyzed literature in the field of media management research to structure the core areas along the media enterprise service system (Wirtz, 2011). Using bricolage (Baker & Nelson, 2005), we combined the results with the aim of formulating new research questions for media management research. In the continuation of this work (Gossel et al. 2017b, 2018), we elaborated the questions with the help of qualitative expert interviews. These interviews (N=17) were mainly conducted with marketing experts. In a further step we acquired further experts from the technology fields in order to be able to deal with the question from the perspective of technology experts (N=13). Even though these insights were supporting our assumption that ET matter for media, the experts were not able to give insight into the relevance of ET for media business models.

In this contribution, we investigate how young media companies base their business models on the exploitation and/or application of ET. From 10/2018 to 12/2018, a qualitative study (expert interviews with entrepreneurs) with a sample of 41 young media companies was conducted. The companies are situated in 23 countries from six continents and were mostly founded later than 2014. After providing a short description of the companies and their business models, we focus on the role of ET for the respective business model: Is the business model based on ET or does ET have a supporting function? Or - in other words - does ET serve as a core resource? Is their use a core competence of the company? And more specifically: where does ET take effect in the business model (sales, production, marketing, etc.)?

The results of this study provide insights of how ET shape media business models of young media companies from all over the world. By sharing these insights, we hope to provide the EMMA community with relevant insights and relevant research questions for the future. In addition, we explore how the results of the project are of interest e.g. for decision makers in economic policy, for business incubators and for venture capital companies.

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